

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6926

BILL NUMBER: HB 1325

NOTE PREPARED: Jan 30, 2012

BILL AMENDED: Jan 25, 2012

SUBJECT: Sales and Use Tax Exemption for Certain Aircraft.

FIRST AUTHOR: Rep. Pond

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill specifies the use tax exemption for certain aircraft when there is an addition to or reconfiguration of the interior of an aircraft. It specifies when delivery occurs.

Effective Date: January 1, 2009 (retroactive).

Explanation of State Expenditures:

Explanation of State Revenues: *Impact on Sales and Use Tax Revenue* :This bill allows a use tax exemption for certain aircraft when there is an addition to or reconfiguration of the interior of an aircraft. The provisions of this bill could decrease sales and use tax revenue by an indeterminable amount. The impact would ultimately depend upon the expenditures incurred in reconfiguring the interior of an aircraft. The bill provides the use tax exemption if the work requires the issuance of an airworthiness certificate from the Federal Aviation Administration or an equivalent foreign regulatory authority.

Explanation of Local Expenditures:

Explanation of Local Revenues: Local revenues will be impacted to the extent that a local unit receives funds from the Commuter Rail Service Fund or the Industrial Rail Service Fund.

State Agencies Affected:

Local Agencies Affected: Local units.

Information Sources:

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